

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates

2016 - 2017

**Division/Agency:** Australian Competition and Consumer Commission

**Question No:** 128

**Topic:** Non-conforming building products and Australian standards labelling

**Reference:** Written

**Senator:** Ketter, Chris

**Question:**

1. What role does the ACCC play in recalling products that do not conform to Australian law? For example, substandard glazing or asbestos-containing materials?
2. Is the ACCC aware of fraudulent or counterfeit 'Australian Standards' labelling? What role does the ACCC play in taking action against companies who deceive their customers – and break Australian law – through counterfeit labelling?

**Answer:**

1. The ACCC administers Australian Consumer Law (ACL) as it relates to consumer products. It does not regulate building products.

Recalls of consumer goods may be voluntary or compulsory. Under section 128 of the ACL, suppliers must notify the Commonwealth Minister when they recall consumer goods that will or may cause injury, or a reasonably foreseeable use (or misuse) of the good will or may cause injury, or the product does not comply with a relevant ACL mandatory safety standard or the product is banned under the ACL.

To impose a compulsory recall, it must also appear to the Minister that one or more suppliers are taking insufficient action to prevent the goods from causing injury.

Suppliers can meet their product recall reporting obligation by notifying the ACCC, which will publish the recall on the Product Safety Australia website on behalf of the Minister ([www.productsafety.gov.au](http://www.productsafety.gov.au)).

2. In the last 12 months, the ACCC has received 15 reports alleging labelling misrepresentations regarding product compliance with an Australian Standard.

Under the ACL businesses must not make statements that are incorrect or likely to create a false impression. The ACCC shares the responsibility for enforcing the ACL, in the public interest, with state and territory fair trading agencies. Individuals may also pursue their private interest by taking action under the ACL. The ACCC considers whether action should be taken, in relation to a particular matter, consistent with its publicly available Compliance & Enforcement Policy.